

Message Text

LIMITED OFFICIAL USE POSS DUPE

PAGE 01 EC BRU 02628 111836 Z

73

ACTION EUR-25

INFO OCT-01 IO-12 ADP-00 AID-20 CEA-02 CIAE-00 COME-00

EB-11 FRB-02 INR-10 NSAE-00 RSC-01 CIEP-02 STR-08

TRSE-00 LAB-06 SIL-01 OMB-01 TAR-02 SS-15 NSC-10 L-03

PA-03 PRS-01 USIA-12 RSR-01 /149 W

----- 038317

R 111725 Z MAY 73

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC 5193

INFO USMISSION GENEVA

LIMITED OFFICIAL USE EC BRUSSELS 2628

USMISSION GENEVA FOR ROHR

E. O. 11652: N/ A

TAGS: ETRD, EEC

SUBJ: EC CUSTOMS RECLASSIFICATION: SEMI- CONDUCTORS

REF: EC BRUSSELS 2461

1. MISSION REMINDED EC COMMISSION DEPUTY DIRECTOR GENERAL HIJZEN ON MAY 8 THAT US STILL AWAITING COMMUNITY RESPONSE TO ITS JULY 1972 REQUEST FOR RECLASSIFICATION OF SEMI- CONDUCTORS. HIJZEN STATED THAT THE COMMISSION AND THE MEMBER STATES HAVE DISCUSSED THIS MATTER ON MANY OCCASIONS BUT HAVE NOT YET REACHED AN AGREED CONCLUSION. MANY SOLUTIONS HAVE BEEN SUGGESTED BUT NONE HAS BEEN ACCEPTABLE TO ALL THE MEMBER STATES AND THE COMMISSION. HIJZEN HOPES THAT THE COMMUNITY CAN MAKE A DEFINITE RESPONSE SOON.

2. HIJZEN STATED THAT THE US LEGAL CASE IS WEAK BECAUSE, PRIOR TO THE EC NOMENCLATURE CHANGE, HALF THE MEMBER STATES (BELGIUM, LUXEMBOURG AND ITALY) WERE ASSESSING THE HIGHER
LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

PAGE 02 EC BRU 02628 111836 Z

DUTY RATE (17 PERCENT) ON THE SEMI- CONDUCTOR PRODUCTS AT

ISSUE, WHEREAS GERMANY, FRANCE AND THE NETHERLANDS WERE ASSESS-
ING THE LOWER RATE (9.6 PERCENT). THUS US HAS ONLY A TENUOUS
CLAIM TO AN EC- WIDE LOWER DUTY TREATMENT FOR THESE GOODS.
(HIJZEN SAID THAT, DESPITE HIS VIEW ON THE LEGAL QUESTION,
HE IS SEEKING A PREGMATIC SOLUTION TO MEET THE US PROBLEM.)
MISSION OFFICERS DISPUTED THIS ARGUMENT AND STATED THAT THE
US LEGAL CASE IS NOT WEAK. INFORMATION WE HAVE FROM DEPARTMENT
AND FROM LOCAL REPRESENTATIVE OF TEXAS INSTRUMENTS IS THAT
IMPORTS OF THESE ITEMS FROM US WERE, PRIOR TO NOMENCLATURE
CHANGE, ENTERING THROUGHOUT THE COMMUNITY AT THE LOWER RATE.
MAIN CONSIDERATION FROM OUR POINT OF VIEW IS THAT US PRODUCTS
FORMERLY BENEFITTED FROM LOW DUTY RATE BUT WERE NOW BEING
CHARGED THE HIGHER RATE. MISSION OFFERED TO SEND HIJZEN
FURTHER INFORMATION ON THIS POINT.

3. CLEARY GOTTLIEB, LOCAL REPRESENTATIVE OF TEXAS INSTRUMENTS,
HAVE PROVIDED US WITH EXAMPLES OF CUSTOMS DECLARATIONS
PROVING THAT DISCS AND WAFERS WERE, BEFORE JANUARY 1, 1972,
ENTERING FRANCE, GERMANY AND ITALY AT THE LOWER RATES OF
DUTY. WE ARE ASKING THEM TO FURNISH US WITH CUSTOMS DECLARATIONS
REGARDING SHIPMENTS INTO THE OTHER COUNTRIES AS WELL. WE INTEND
TO PRESENT ALL THESE TO THE COMMISSION. IF THE DEPARTMENT CAN
PROMPTLY FURNISH ANY FURTHER INFORMATION ON THIS POINT, IT
WOULD BE HELPFUL. HIJZEN HOPES FOR A DECISION BY JUNE, SO WE
SHOULD SEND INFORMATION PROMPTLY.

4. MISSION INFORMED TEXAS INSTRUMENTS VICE PRESIDENT ROCHE
AND CLEARY GOTTLIEB OF THE ABOVE ON MAY 10.
ROCHE EXPRESSED APPRECIATION FOR US GOVERNMENT ASSISTANCE
AND EMPHASIZED IMPORTANCE COMPANY ATTACHES TO THIS CASE.
GREENWALD

LIMITED OFFICIAL USE
NMAFVVZCZ

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 11 MAY 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973ECBRU02628
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: EC BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730540/aaaaiqsz.tel
Line Count: 94
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 73 EC BRUSSELS 2461
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 25 OCT 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <25-Oct-2001 by shawdg>; APPROVED <31-Oct-2001 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> mcm 980122
Subject: EC CUSTOMS RECLASSIFICATION: SEMI- CONDUCTORS
TAGS: ETRD, US, EEC
To: EUR
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005